

documentation and specifications. BST will provide BSLD any exceptions to the Bellcore specifications it may have through Appendix A of this Agreement.

With this Service BSLD may process a Client's Messages in one of two ways: (1) by assigning the Client a Sub-CIC beginning with BSLD's CIC, or (2) by assigning the Client a unique CIC or ABEC and a sub-CIC that begins with the Client's unique CIC or ABEC.

The Message and billing data of a Client with a sub-CIC beginning with BSLD's CIC will be included in BSLD's reports, settlements, and B&C Service bill.

The Message and billing data of a Client with a unique CIC or ABEC will be tracked separate from BSLD's data. Furthermore, BST will produce for BSLD separate reports, billing information data files, settlements, and B&C Service bills for this Client. The sole purpose of these Client reports, data files, settlements, and B&C Service bill is to aid BSLD in managing its business, and will be not be construed in any way to relieve BSLD of its contractual duties and responsibilities as the entity with whom BST has entered into this Agreement for the settlement of the Client's accounts receivable or for payment of the Client's B&C Service charges.

5.2 Establishing Client CICs or ABECs

For Clients assigned a unique CIC or ABEC, in addition to the charges described in Sub-section 5.3 below, BSLD will pay the *Service Establishment Charge*, set forth in Exhibit B, for each CIC/ABEC Client added to the BST systems and ISAT. Once a Client's CIC/ABEC is added, BSLD will use the same procedure it uses for its own billing data (i.e., the OBR Handling Procedure) to change or delete Client CIC/ABEC information, and to request changes to a CIC/ABEC Client's service features.

5.3 Setting Up Sub-CICs

For setting up Clients' sub-CICs, BSLD will pay the Sub-CIC *Initial Service Establishment Charge*, set forth in Exhibit B, which enables BSLD to establish up to 10 sub-CICs. Once the first 10 are established, BSLD will pay the Sub-CIC *Processing Per Request to Update the ISAT* rate and the *Per Sub-CIC Added* rate, also set forth in Exhibit B, to add a Sub-CIC to the BST ISAT. NOTE: Even Clients processing their EMI records with a unique CIC or ABEC must be assigned a sub-CIC by BSLD.

5.4 ISAT Maintenance

Once a Client's sub-CIC is established in BST's ISAT, for maintenance BSLD will pay the Sub-CIC *Processing Per Request to Update the ISAT* rate for each request to update a Client's sub-CIC, and the *Per Change or Deletion Of Sub-CIC Information* rate for each sub-CIC in each request requiring any type of ISAT change.

See Appendix A for details on the procedures, deadlines for receipt of change requests, and forms to be used by BSLD to submit and manage changes to the ISAT.

5.5 Client's End-User Bill Page

All BSLD Client Messages/charges will appear on BSLD's clearinghouse bill page(s) -- including those processing their Messages with a unique CIC or ABEC -- utilizing the Clients' Sub-CICs.

BST will print BSLD's logo (symbol and text), with BST's helpful number, at the top of the page at the one-time *Bill Logo Establishment or Change* charge set forth in Exhibit B (Rates and Charges). The Clients Messages will be sorted by Sub-CIC under the 'Service Provider' heading in the body of the page. See Appendix A for an illustration of the described bill page.

For its clearinghouse bill page(s) BSLD will utilize BST's Bill Processing Service bill format with standard headings with the exception of the 'Taxes' section. For 'Taxes', BST will use the same format on BSLD's clearinghouse page(s) as it uses on BSLD's CIC 377 bill page(s).

BST will not provide Bill or Rate Verification for BSLD's Client charges and credits.

5.6 Client Name Changes

BSLD agrees to provide BST the name and, if different, the billing name of each Client as it appears on the Client's state certification papers. Whenever a Client changes its company name, or billing name, BSLD will notify BST of such change immediately with updated state certifications. Without the updated certifications, BST will block the Client's intrastate Messages until received.

6. Audit Provisions

6.1 General Description

Each year, at no additional charge, BSLD has the right to perform one audit (i.e., the review of multiple processes or subjects. For example, BSLD could audit how BST processes its Messages from initial receipt to billing and post-billing adjustments.) and one examination (i.e., the review of only one process or subject such as Unbillables or Uncollectibles -- also referred to as a "special examination"). See Sub-Section 6.2 and 6.4 below for the terms and conditions specific to the one audit and examination provided at no additional charge.

BSLD may request an additional audit or examination and BST will make every reasonable effort to grant. See Sub-Section 6.3 and 6.4 below for the terms and conditions specific to additional audits and examinations BSLD may conduct for a fee.

6.2 Terms and Conditions for One Audit and One Examination At No Additional Charge

a) Miscellaneous

- The audit and examination will be at BST locations performed during normal BST business hours only on information that reasonably may bear upon the provision of Services specified as part of this Agreement.
- A maximum of one audit and one examination per-calendar year are granted by BST.
- Audits are limited to a maximum period of three weeks on-site provided all key personnel and documentation are available at the start of and throughout the audit.
- Examinations are limited to a maximum period of two weeks on-site provided all key personnel and documentation are available at the start of and throughout the examination.
- Audits and examinations are limited to one Regional Accounting Office (RAO) or state.
- Each Party will bear its own expenses in connection with performing the audit or examination.

b) Requesting An Audit and Examination

BSLD will notify BST in writing of its intent to perform an audit or examination with the information listed in Sub-Section 6.4 c) at least 90 calendar days before desired start date. Within 30 calendar days of receipt, BST will acknowledge receipt of the notification and may at that time, for good and reasonable cause, change the audit or examination start date to a mutually agreed-upon date.

6.3 Terms and Conditions for Additional Audits and Examinations

Conducted For A Fee

- BSLD may request an additional audit, examination, or additional RAO(s) in its one Audit or Examination for the year, in writing through the OBR Handling Procedures. See Sub-Section 6.4.c) for further information on this subject. Within 20 calendar days of receipt of the request BST will provide BSLD a Time & Cost (T&C) Estimate, and BSLD will respond in accordance with the OBR Handling Procedures.
- BSLD agrees to pay BST's expenses related to all aspects of the additional audit or examination; i.e., preparing, conducting, analyzing, providing a final report of the findings, etc. Furthermore, BSLD agrees to pay BST for additional personnel necessary for BST to perform its duties in the audit or examination, including travel expenses incurred; e.g., airfare, lodging, meals, etc. BST's total charge for the additional audit or examination will be determined on an ICB once the scope, duration, amount of sample documentation, personnel required, etc. are known.
- The audit and examination will be at BST locations performed during normal BST business hours only on information that reasonably may bear upon the provision of Services specified as part of this Agreement.

6.4 Terms and Conditions Common to All Audits and Examinations**a) Miscellaneous**

- For any special BSLD data requirements, BSLD will issue a Purchase Order Number (PON) through BST's OBR Handling Procedures and pay the one-time cost to set up programming for the requested extraction. BSLD may receive multiple copies of the extraction at no additional charge under the condition that the number of copies needed is stated in the initial PON/request. Requests for additional copies after the extraction and initial requested copies have been produced will be met for an additional fee. The cost for the additional copies will be determined on an ICB.
- Should BSLD commission an independent auditing firm, the authorized firm representative must sign a joint non-disclosure agreement with BSLD and BST.
- All information received or reviewed by either party or authorized representative is considered proprietary and its use will be limited to:
 - Performance of the audit or examination;
 - Preparation of any report(s) for the sole purpose of providing audit or examination results, and the resolution of its findings, to authorized BSLD, firm, and BST personnel only; and
 - No other purpose unless agreed to in writing by both Parties.
- BST will respond to BSLD's inquiries or audit findings within the specified time frames set forth in Sub-Section 6.4.c) (Written Notification and Time Frame Requirements) below.

b) Handling of Materials

- BST materials and data reviewed by BSLD are considered proprietary and cannot be copied or removed from site.
- Observation or monitoring of BST employee contacts with end users is prohibited.
- BSLD may not interview BST non-management employees.

c) Written Notification and Time Frame Requirements

BSLD will provide BST the following information in its initial request to conduct an audit or examination:

- The specific objective of the audit or examination;
- The start date of the audit or examination;
- The scope of the audit or examination. The scope will not change once the audit or examination begins;
- The data and/or documents to be audited. The data request stands as written once the audit or examination begins;

- The site to be audited, or the site(s) to be examined;
- The requested location(s) for performing on-site activities. Location(s) will be mutually agreed upon by BSLD and BST;
- The data request sample size. Sample size will be mutually agreed upon by BSLD and BST;
- The specific period or test month requested to be audited. Test month will be limited to the three months before audit or examination start date, or to a mutually agreed-upon test month;
- The names, addresses and telephone numbers of BSLD personnel and/or outside firm representatives conducting the audit or examination.

Once the audit or examination is agreed upon and the start date is set, BST will schedule a pre-review meeting with BSLD at least 30 calendar days before BSLD's audit or examination start date. The pre-review meeting activities will include, but are not limited to:

- Clarification and concurrence of BSLD's requests as outlined in the written notification;
- Review of sample documentation; and
- Concurrence in documentation to be provided during the audit or examination.

d) Final Report and Claim Payment

Within 45 calendar days of an audit or examination's conclusion, BSLD will provide to BST a final report, in writing, identifying any deficiencies found and documenting any claims associated with the audit or examination. In the event this time frame cannot be met, BSLD will advise BST and negotiate an extension.

Upon receipt of BSLD's final report, BST will investigate all findings and claims and provide a response, in writing, to BSLD within 45 calendar days of receipt of BSLD's final report. In the event this time frame cannot be met, BST will advise BSLD and negotiate an extension.

This report will detail BST's investigative actions and its recommended resolution which will be one of the following:

- (1) No settlement is due. Resolution: both Parties document the agreed-upon resolution, and close the finding and associated claim.
- (2) A settlement is due to BSLD from BST. Resolution: BST will adjust the next month's B&C Service bill and/or settlement due BSLD for the mutually agreed-upon amount along with any associated interest payment as set forth in Exhibit B (Rates and Charges).
- (3) A settlement is due to BST from BSLD. Resolution: BST will deduct the mutually agreed-upon claim amount, along with any associated interest payment as set forth in Exhibit B (Rates and Charges), from BSLD's next Settlement, or bill BSLD the amount owed on BSLD's next B&C Service bill, along with any associated interest payment as set forth in Exhibit B— as appropriate.
- (4) If the settlement amount due to either Party is greater than the net amount due on the next Settlement or B&C Service bill, the Parties will mutually agree on how to settle the remaining amount due; i.e., by rendering a separate bill or making additional deductions from subsequent settlements or B&C bills until the total settlement amount is received by the owed Party.

BSLD will provide concurrence with or objection to BST's written response within 45 calendar days of receipt.

7. Joint Recourse Studies

Upon completion of the first twelve months of production billing BSLD may request BST to conduct one Joint Recourse Study (i.e., Joint Unbillable, Joint Post-Billing Adjustment, or Joint Uncollectible Study) per year. This Joint Recourse Study will be conducted under a separate B&C agreement defining the agreed to scope and expectations. Each Party will bear its own expenses incurred while conducting this one Joint Recourse Study.

Furthermore, BSLD may request additional Joint Recourse Studies each year under the condition that BSLD pay all of BST's expenses related to conducting the additional Joint Studies. BST will make every reasonable effort to grant. See Sub-Section 7.1 below for the terms and conditions by which BST will conduct additional Joint Studies. As with the one Joint Study, each additional Joint Study will be conducted under a separate B&C agreement.

For all Joint Recourse Studies, the scope, location, start date, duration, etc. for each joint study will be determined on an ICB and mutually agreed upon by both Parties

7.1 Terms and Conditions for Additional Joint Recourse Studies

- BSLD will request each additional Joint Recourse Study in writing through the OBR Handling Procedures. Within 20 calendar days of receipt of the request BST will provide BSLD a Time & Cost (T&C) Estimate, and BSLD will respond in accordance with the OBR Handling Procedures.
- BSLD agrees to pay BST's expenses related to all aspects of each additional Joint Recourse Study; i.e., preparing, conducting, analyzing, providing a final report of the findings, etc. Furthermore, BSLD agrees to pay BST for additional personnel necessary for BST to perform its duties in each Joint Recourse Study, including travel expenses incurred; e.g., airfare, lodging, meals, etc. BST's total charge for each additional Joint Recourse Study will be determined on an ICB once the scope, duration, amount of sample documentation, personnel required, etc. are known.
- These Joint Studies will be at BST locations performed during normal BST business hours only on information that reasonably pertains to the recourse subjects being studied.

7.2 Joint Unbillable Studies

The purpose of a Joint Unbillable Study (JUS) is to determine the root causes of BSLD and Clients' unbillables to effectively determine which Party is responsible for the error codes associated with the root causes, and for process improvements in each Party's message processing system. All unbillables will be recoured 100% to BSLD until completion of a JUS and a letter of agreement, citing the results of the JUS, is signed.

A JUS will be conducted by BST and BSLD in a time period mutually agreed upon by both Parties. Only those unbillables resulting from Services provided under this Agreement with the exception of unbillables resulting from the Mutual Honoring Arrangement will be included in the JUS. Both Parties will determine and agree which specific error codes will be studied before the study begins. The JUS will not include any unbillables resulting from services provided under the BST GSST or other applicable tariff, contract and/or agreement. Furthermore, both Parties may mutually agree to exclude additional error codes from the JUS during the course of the study. The study results will be used on a prospective basis; true-ups for previous periods will not be made.

In lieu of determining monthly, actual unbillable revenue responsibility, with the JUS results, BST will develop a *with recourse* factor for each error code (included in the JUS) to calculate each Party's portion of the associated unbillable revenue. The JUS will have the following three distinct universes for assigning revenue responsibility:

1. 100% recourse to BSLD -- those error codes studied where the root causes were 100% BSLD error. (Also referred to as "with recourse"),

2. 100% not recourse to BSLD -- those error codes studied where the root causes were 100% BST error. (Also referred to as "without recourse"), and
3. A shared universe of studied error codes where the root causes are shared by both Parties.

For each error code in the shared universe, the percentage of responsibility will be determined each month by applying the *with recourse* factor to the actual unbillable revenue.

Any *existing* error codes for conditions causing unbillables that were not included in the JUS (because there were no errors attributable to that code) will be recourse 100% to BSLD until the next JUS.

If *new* error codes for unbillable conditions are introduced by BST subsequent to the implementation of the factors derived from the JUS, BST will immediately notify BSLD of the upcoming error code(s), and within the minimum period of 30 days before the new error code(s) is implemented. BST will recourse 100% of unbillables attributed to such error codes to BSLD until the next JUS unless both Parties mutually agree that such errors are 100% attributable to BST.

As soon as practicable and agreeable to both Parties, but no more than 90 days following the conclusion of the JUS, both Parties will enter into a Letter of Agreement which defines the following:

- The unbillables error codes designated 100% to BSLD;
- The unbillable error codes designated 100% to BST;
- The factors (at error code level) to be used with the shared universe of error codes;
- The effective date of the factors; and
- Any other pertinent findings from the JUS.

Such Letter of Agreement will remain in force until such time as the next JUS is performed and a new Letter of Agreement is entered into.

The JUS will be considered concluded on the date both Parties responsibilities for each error code has been determined.

BSLD will not receive any unbillable Messages for which BST is 100% responsible or which are included in the shared responsibility.

Upon written notice by BST to BSLD, as specified in this Agreement, BST or its authorized representatives will have the right to perform an analysis of all records in BSLD's possession that BST received from and returned to, including, but not limited to, Messages once found to be unbillable re-submitted by BSLD without correction for billing. Adjustments will be made to compensate the proper Party for the responsibility assumed by such Party for those Messages submitted more than once by BSLD for billing that are found by BST to be unbillable more than once. Neither such right to perform such analysis, nor the right to receive such an adjustment will be affected by any statement to the contrary appearing on checks or otherwise, unless such statement expressly waiving such right appears in a letter signed by the authorized representative of the Party having such right and delivered to the other Party.

Any information received or reviewed by BST or its authorized representatives during the analysis will be considered confidential and will not be distributed, provided, or disclosed in any form to any third party not involved in the analysis, nor is such information to be used for any other purposes.

7.3 Joint Post-Billing Adjustment Studies

The sole purpose of Joint Post-Billing Adjustment (PBA) Studies is to

provide BST and BSLD knowledge and understanding about the types of inquiries and requests being handled by the BST service centers in BSLD's behalf. The Joint PBA Study results may be used by both Parties to make process and/or procedure changes to improve service to the end users, but will not be used to share responsibilities of the PBA amounts or to develop any type of PBA recourse factor.

The terms and conditions for each Joint PBA Study will be provided in a separate B&C agreement created for each conducted study.

7.4 Joint Uncollectible Studies

The terms and conditions for each Joint Uncollectible Study will be provided in a separate B&C agreement created for each study.

8. OBR (Open Billing Request) Handling Procedures

8.1 General Description

Once BSLD's initial service establishment is complete BSLD may request

- enhancements;
- modifications to its existing Services;
- implementation and deletion of complex pricing plans, cross contribution plans, and discounts; and
- complex changes to existing rate structures

through BST's OBR Handling Procedures. These types of requests are referred to as 'General OBRs' by BST. BST, at its discretion, will agree to implement all BSLD OBRs subject to the terms and conditions set forth in this Exhibit and Exhibit B.

BSLD may request

- implementation and deletion of simple pricing plans, cross contribution plans, and discounts;
- implementation and deletion of USOC and service order-based non-recurring and recurring charges, and various fees such as BSLD's termination liability fee; and
- changes to rate levels and simple changes to existing rate structures

through BST's *Expedited OBR Process*.

The difference between Regular and Expedited OBRs is the medium by which the request and authorization is delivered to BST and the implementation time frames. See Sub-Section 11.6 for the implementation time frames. See Appendix A for the details on how the *Expedited OBR Process* works. All other terms and conditions stated in this Section (e.g., authorization, billing, samples, etc.) and the OBR Handling Procedures rates and charges set forth in Exhibit B apply to *Expedited OBRs* as well.

BSLD may submit one of three types of OBRs to BST:

- a. An Information Letter (IL) to communicate an administrative change in BSLD's "business as usual", e.g., change in designated contact manager, change in mailing address, etc. No programming changes are made with ILs. BST will make IL administrative changes at no additional cost to BSLD.
- b. An Order of Magnitude (OM) to request a Time and Cost (T&C) estimate for a specific change or service. The T&C estimate will not be binding on either Party. The OM enables BSLD to gain knowledge and determine the feasibility of pursuing a change or new service before making a commitment.
- c. A Purchase Order Number (PON) to request to purchase new service features, enhance or modify an existing service feature and to manage complex pricing plans, cross contribution plans,

and discounts. If implemented, BSLD will pay both the programming and non-programming non-recurring charges incurred by BST to design, develop, test, and/or implement the PON and, as appropriate, any recurring rates associated with provisioning the new or changed service feature, plan or discount.

When requesting the implementation of a complex pricing plan, cross contribution plan or discount BSLD will provide, in its initial PON, the thresholds, percentages, USOCs, application rules, and illustrations of end-user bill formats.

8.2 Documentation and Time Frames

In BSLD's initial OBR correspondence, a complete information package must be provided for BST to develop a T&C estimate and implement the work request. BST will provide BSLD a *Specification List*, in Appendix A, detailing the information needed in BSLD's information package.

With the exceptions stated herein, BST will respond within 20 business days from receipt of an IL.

With the exceptions stated herein, within 20 business days from receipt of a OM or PON, BST will mail BSLD a written T&C estimate.

For PONs only, within 40 business days from the date of the T&C estimate, BSLD will notify BST, via an authorization letter, that the estimate is accepted or rejected. The T&C estimate and BSLD PON will be void if BSLD fails to accept a T&C quote, or respond, within the 40 business day time limit. Once void, BSLD may resubmit a new PON. BST will determine on an ICB the conditions and period of time necessary to implement each PON. See Sub-Section 8.4 (PON Authorization and Concurrence) below for further details.

For calculating the estimated cost of BSLD's OM or PON, BST will use: (a) the applicable rates and charges as set forth in Exhibit B (Rates and Charges); (b) the appropriate tariff rates; and/or (c) any ICB rates/charges negotiated and authorized by both BSLD and BST.

For complex modifications, BST may require an extension to BST's standard 20 business-day time frame. BST will notify BSLD of this needed extension within 15 business days from receipt of the OM or PON and both Parties will agree on the delivery date of the T&C estimate.

BSLD will consider the 20 business day commitment met by BST when it receives questions and/or issues which must be answered by BSLD before BST considers BSLD's Specifications complete. The 20 business-day time frame starts over for BST when BSLD's response, to BST's questions and/or issues, results in requirement changes or BSLD re-defines the assumptions. BST will cancel BSLD's OM or PON if BSLD does not provide BST with answers and/or resolutions, to its questions and/or issues, by the fortieth day from the date on BST's T&C estimate letter.

8.3 Sample of Results After Changes Are Made

Upon request from BSLD, in the initial PON correspondence, BST will provide from its test data:

- a copy of an end-user bill (with account information deleted);
- a report sample; and/or
- other implementation validation media mutually agreed upon by both Parties.

This documentation will demonstrate the authorized changes after the

first billing cycle, but no later than 45 business days after implementation. BST will notify BSLD in circumstances where, despite best efforts to do so, BST cannot locate any end-user accounts affected by the billing change. BSLD will then, via the PON, supply BST with account numbers or other information that will enable BST to identify end users BSLD believes are affected by the billing change. BST will then provide BSLD a copy of such end users' bills.

Upon request from BSLD, BST will provide BSLD both test end-user bill samples and samples of production end-user bills. BSLD agrees to state which type(s) of bill samples it wishes to see in its initial PON/request.

NOTE: For additional information on when and how BSLD may receive samples of end-user bills see Testing Requirements under Part Two of this Exhibit.

8.4PON Authorization and Concurrence

BST must receive written authorization from BSLD to bill the non-recurring charges and any recurring rates, and concurrence in the implementation date before BST will begin the work. The authorization letter must include, but not limited to, the following information:

- BST-assigned PON number which is provided in the T&C estimate letter;
- The issue date of BSLD's initial PON correspondence;
- The specific rates and charges (both non-recurring and recurring) quoted in BST T&C estimate letter; and
- The implementation date(s) mutually agreed upon.

Within 10 business days of receipt of BSLD's authorization letter, BST will add its concurrence signature and date at the bottom and return it to BSLD. The PON development and implementation work will begin once signatures from both Parties is secured.

8.5PON Pre-Authorization

BSLD may pre-authorize the billing of a PON for:

- Services for which BST has published rates and charges in Exhibit B;
- Custom Work (ICB) for Development Only -- BST begins development work; or
- Custom Work(ICB) for Development and Implementation -- BST begins development and implementation activities.

When pre-authorizing custom work(rates and charges are developed on an ICB), BSLD will state scope of work (e.g., development only) and the dollar amount it is willing to pay.

Within 10 business days from the receipt date of a pre-authorized PON for standard services with published rates and charges, BST will send BSLD a T&C confirmation of the total cost and scheduled implementation date, or return the PON to BSLD with needed corrections.

Within 10 business days from the receipt date of a pre-authorized PON for custom work, BST will send BSLD a T&C estimate of the total cost of the PON and scheduled implementation date. BSLD will give BST billing authorization for the total cost (both non-recurring and recurring) of the PON and concurrence with the scheduled implementation date, or its response, within 20 business days from receipt of the T&C estimate. If authorization or response is not received within this time frame BST will cancel the PON.

If the total cost of the pre-authorized PON for custom work is less than \$100,000.00 and BSLD requests no changes to the original specifications after BST's Design Phase is completed, BSLD will pay the T&C estimate amount it approved. Furthermore, BSLD agrees to pay BST the incremental cost -- in addition to the approved T&C estimate amount -- for any changes it requests to the PON specifications after the Design Phase.

If the total cost of the pre-authorized PON, based on BST's T&C estimate, for custom work is greater than \$100,000.00 and the total cost proves to be greater than the pre-authorized amount BSLD will pay BST for all work performed.

8.6 Completion and Confirmation

For ILs, whether work is or is not required by BST, the Parties will consider an IL complete when BST notifies BSLD of its action. If the IL implementation results in chargeable work, BSLD agrees to resubmit the needed change as a PON and pay: (a) the applicable rates and charges as set forth in Exhibit B (Rates and Charges), (b) the appropriate tariff rates and/or (c) any ICB rates/charges negotiated and authorized by the Parties.

For OMs, the Parties will consider an OM complete when BST mails the T&C estimate to BSLD. If, upon receipt of the OM T&C estimate, BSLD decides to implement the new service feature or change, BSLD agrees to re-submit the OBR as a PON. In such cases, BSLD will reference BST-assigned OM number and the OM's initial issue date within the text of the initial PON correspondence.

For PONs, within five business days from completion of the PON, BST will send BSLD written confirmation that all work is complete and billing procedures are in place. A PON will be considered complete by the Parties when:

- a written Implementation Validation Form (IVF) is mailed to BSLD;
- the PON is canceled by BSLD; or
- the PON is canceled by BST under the terms and conditions set forth in this Part.

8.7 Billing

BST will bill BSLD for PONs via the B&C Service bill as follows:

- PONs with total cost under \$100,000 will be billed after completion of all work.
- PONs with total cost over \$100,000 will be billed monthly for the work completed in the given bill period.

If BSLD elects to cancel a PON after work has begun, including pre-authorized PONs, BSLD agrees to pay BST for all work performed up to the point of cancellation and/or up to the limit of the pre-authorization, whichever is less.

If BST is unable to implement changes to the B&C Service billing program, necessary to bill BSLD for the PON's recurring rates and charges, BST may temporarily bill BSLD using an Other Charges and Credits (OC&C) entry, or it may keep a record of the volumes and back bill BSLD when the necessary program changes are complete.

9. Ordering BST's B&C Service Package

9.1 Initial Service Order

BSLD may purchase BST's B&C Service Package offered under this Agreement for the billing of BSLD and Clients interstate and international Messages. BSLD agrees to pay the *Service Establishment Charge(s)* set forth in Exhibit B (Rates and Charges) for each CIC or ABEC established under this Agreement at the time BST establishes

the given CIC or ABEC. This *Service Establishment Charge* does not include establishing Client Sub-CIC processing. See Section 5. for additional information on Client Sub-CIC processing.

BSLD will complete a BST-provided Implementation Package for each CIC and ABEC being processed under this Agreement once it is signed by both Parties. When the Implementation Package is complete and received, BST will determine on an ICB the conditions and the period of time required to implement BSLD's or Client's Services.

9.2 Changes to An Initial Service Order

BSLD may request a change to its pending initial service order by submitting a PON with the needed change as set forth in the OBR Handling Procedures. BST will make reasonable effort to accommodate the requested change. When the change can be accommodated, BSLD will pay the additional cost incurred by BST for the change. BST will notify BSLD of the cost and obtain its concurrence before proceeding with the requested change. BSLD will also grant BST a new Service effective date when deemed necessary by BST to accommodate such a change.

9.3 Cancellation of An Initial Service Order

BSLD may cancel its pending service order at any time before the Service effective date. The cancellation date will be the date BST receives written or verbal notice from BSLD that its order is canceled. If verbal notice is given, it must be followed with written confirmation within 10 days.

BSLD agrees to pay BST for all program and non-program development work completed, for all program and non-program development work necessary to remove the completed work from BST systems, and for any non-recoverable costs incurred by BST up to the cancellation date. This requirement is also addressed in the OBR Handling Procedures.

Part Two: Processing & Billing of BSLD Messages

Table of Contents

Section

10. Message Processing

- Regulated Services/Charges Only 10.1
- Age of Message Limitations 10.2
- Message Format, Content, and Delivery 10.3
- Unbillables and Misdirects 10.4
- Errors or Omissions 10.5
- Lost or Damaged Messages 10.6

11. Application of Pricing Plans, Fees, Discounts, & Charges

- General Description 11.1
- BSLD Responsibilities 11.2
- BSLD Liabilities 11.3
- BST Responsibilities 11.4
- BST Liabilities 11.5
- Implementation and Changes to Pricing Plans, Fees, Discounts, and Charges for CIC 377 11.6
- Implementation and Changes to Pricing Plans, Fees, Discounts, and Charges for ABECs 11.7
- Errors or Omissions 11.8
- Lost or Damaged Messages 11.9

12. Testing Requirements

Testing of BST Facilities, Systems, Etc. Affecting

Network-Based Services 12.1

Testing of Billing Services 12.2

BSLD Obligations 12.3

13. Bill Presentation & Bill Rendering

Per-Bill Postage Escalator 13.1

BSLD Logo 13.2

Foreign Language Bill Text 13.3

Application of the Per-Bill Rendered Rates 13.4

Part Two: Processing & Billing of BSLD Messages

10. Message Processing

10.1 Regulated Services/Charges Only

BSLD and Clients may bill only regulated, deniable services/charges under this Agreement.

Should BSLD wish to begin billing unregulated, non-deniable services/charges at any time during the term of this Agreement for BSLD or Clients, BSLD agrees to give BST at least nine months advance notice, in writing, from the date it wishes to begin testing. BST's programming and non-programming development costs as well as any recurring production costs will be determined on an ICB under the terms and conditions set forth in the OBR Handling Procedures.

10.2 Age of Message Limitations

BSLD and Clients will send BST Messages with a maximum age of five months to insure that the maximum age (time period) from the date the call was placed or the date the charge was incurred by the end user to the date it is billed to the end user is six months, with the exception of Louisiana Operator Services. In Louisiana, the maximum age allowed for Operator Service Messages (charges) is 60 days from the date the call was placed or the date the charge was incurred by the end user to the date it is billed to the end user. Therefore, BSLD and Clients will send to BST Louisiana Operator Service Messages with a maximum age of 30 days to insure these charges are billed to the end users within the 60 day period. Any call over the maximum period will be returned to BSLD.

10.3 Message Format, Content, and Delivery

BST is responsible for posting and billing only those BSLD and Client records in which BSLD has identified the BST end-user account to be billed.

BSLD will provide BSLD and Client Messages to BST in the Bellcore EMI record format, based on the Bellcore documentation SR-320, with any exceptions required by BST. BSLD and Clients are solely responsible for obtaining the Bellcore documentation and specifications. BST will provide BSLD any exceptions to the Bellcore specifications through Appendix A.

BSLD will pack each CIC/ABEC's EMI records separately; i.e., will not mix in the data files and packs.

BSLD will deliver BSLD and Client Messages to the location specified by BST and will retain a copy of the Messages for at least 90 calendar days. Failure of BSLD to retain a copy for the required 90 days will abrogate BST's liability as set forth in this Part.

BSLD or its facility-based vendor will data transmit (i.e.,

CONNECT:Direct™) BSLD and Client-rated Messages to BST under the rates set forth in Exhibit B (Rates and Charges). Each data file, or pack, will be received and processed at the appropriate MSS & CMDS Data Exchange Per-Record Received Rate set forth in Exhibit B. This Data Exchange rate is in addition to the applied Per-Message Processed rate also set forth in Exhibit B. When BSLD or Clients send BST a empty data file, BSLD will pay BST for 10,000 MSS records received for the cost to set up, download, and remove the empty data file from BST's MSS.

BSLD and Clients are prohibited from billing multiple calls/charges in one EMI record. For Directory Assistance (DA) and Directory Assistance Call Completion (DACC) charges only, BSLD and Clients must send BST one EMI record for each call, but may request BST to sum these charges on the end user's bill on its behalf. BSLD agrees to submit such requests in writing via the OBR Handling Procedures and BST will make every reasonable effort to grant. BSLD agrees to pay BST for the program development necessary to summarize BSLD and Client DA and DACC charges which will be determined on an ICB.

10.4 Unbillables And Misdirects

BSLD and Client-rated Messages which BST cannot bill to the designated end-user account will be either returned to BSLD or investigated by BST's Message Investigation Center (MIC), as appropriate. Upon completion of the investigation, billable Messages will be posted to end-user accounts. Unbillable Messages will be processed in accordance with BST's procedures and returned to BSLD daily via CONNECT:Direct.

10.5 Errors or Omissions

If BSLD discovers a BSLD or Client-generated error, BSLD will notify BST in writing as soon as possible but in no event no more than three hours after such discovery. BST will handle the error on an ICB.

If BST finds or is notified of a BST-generated error on an end user's bill, it will make every reasonable effort to correct the error and bill correctly within the limits permitted by the laws of the state in which the service is provided.

If the end-user billing error is caused by BST and BST cannot correct the error in a timely manner, the extent of BST's liability for damages will be only the known amount misbilled. In addition, BST will notify BSLD in writing of any BST-generated error and corrective action.

If the error is caused by information or directions provided by BSLD, BSLD will be liable for all appropriate charges as set forth in Exhibit B (Rates and Charges) and for any other ICB costs incurred by BST to correct the error.

10.6 Lost or Damaged Messages

If BST loses or damages BSLD's rated Messages, BST will make every attempt to recover and re-process the Messages. If BST is unable to re-process the Messages, BST will request BSLD to re-transmit the rated Messages to BST. When the request is received within the 90 day retention period, BSLD will re-transmit the data to BST within 48 hours of receipt of BST's request.

If BSLD cannot provide BST a copy of the lost or damaged Messages, the extent of BST's liability for damages will be limited to a corresponding credit adjustment on BSLD's next settlement, less any amounts previously settled, and/or the next B&C Services bill -- including a credit for any lost or damaged Messages previously

included in BSLD's B&C Service charges.

In the event the lost or damaged Messages were included in the Transmitted Revenue and Taxes amount on a subsequent settlement and/or included in a subsequent B&C Services Bill rendered to BSLD, these recovered Messages will be excluded from BSLD's next settlement and/or B&C Services bill to prevent processing the Messages twice.

11. Application of Pricing Plans, Fees, Discounts, & Charges

11.1 General Description

As stated in the previous section, BSLD and Clients are responsible for rating and formatting their recorded Messages. These Messages will be rated using BSLD's standard, tariffed toll rates and rate structures. BSLD has requested BST, as its billing agent, to apply and bill special discounts to BSLD Messages that bill to end-user accounts that have subscribed to BSLD pricing plans, or qualify for specific BSLD discounts such as disability certified discounts for directory assistance. In addition, BSLD has requested BST to bill its non-recurring and recurring charges, its termination liability fee, and other such fees to end-user accounts as directed by BSLD.

This section contains the terms and conditions governing the delivery, programming, application, and billing of BSLD's non-recurring charges, recurring charges, various fees, pricing plans, cross contribution plans, discounts, and any other discounting which requires BST to change the original rate of a BSLD Message.

11.2 BSLD Responsibilities

BSLD is solely responsible for developing its non-recurring charges, recurring charges, fees, pricing plans, cross contribution plans, and discounts as well as for filing such charges, fees, plans and discounts to the appropriate regulatory bodies, and obtaining approval, where required, to apply or bill such charges, fees, plans and discounts.

The development, calculation, and documentation of all non-recurring and recurring charges, fees, pricing plan rates, rate structures, percentages, factors, etc. needed by BST to apply and bill such plans and discounts is the sole responsibility of BSLD. Furthermore, BSLD is responsible for providing BST, in writing, instructions on how to apply each charge, fee, pricing plan, cross contribution plan, discount, etc. that BSLD is requesting BST to apply and bill on its behalf.

BST will determine the medium and format that such information is to be provided.

The application of charges, fees, pricing plans, and discounts is an auditable component of this Agreement as defined in the *Audit Provisions* section of this Exhibit.

11.3 BSLD Liabilities

BSLD will hold BST harmless against any blame or fines by a federal or state regulatory body should BST apply any charge, fee, pricing plan, discount, etc. via instructions received from BSLD that have not been approved.

Should BSLD provide BST with incorrect percentages, factors, numbers, and/or instructions causing a charge(s), fee(s), pricing plan(s), discount(s), etc. to be applied and billed incorrectly, BSLD will notify BST of such discovery immediately with the correct amounts, percentages, factors, numbers, and/or instructions. BST will make every effort to correct the error within 24 hours of receipt, or as soon as

possible -- the time required to correct depends on the complexity of the programming.

BSLD agrees to pay BST its cost to correct the error, bill end-user credits or adjustments to correct the billing error, and to print any text or Marketing Message, deemed necessary by BST, to inform the end users of what has happened and what has been done to correct the error on their bill. The cost of such corrections and notifications will be determined on an ICB.

11.4 BST Responsibilities

BST will be responsible for accurately programming and billing BSLD's charges, fees, pricing plans, discounts, etc. in its systems.

BST will apply the appropriate federal, state, county, and local taxes as well as any applicable surcharge, levy, or gross receipts to all BSLD rated Messages after all charges, fees, and discounts have been applied in accordance with the terms and conditions set forth in the principal document of this Agreement.

BST will retain copies of the end-user bills for three months and for three years in MOBI.

11.5 BST Liabilities

Should BST program and apply BSLD's percentages, factors, numbers, and/or instructions incorrectly causing a charge(s), fee(s), pricing plan(s), discount(s), etc. to be billed incorrectly, BST will notify BSLD of such discovery immediately, will make every effort to correct the error within 24 hours, or as soon as possible -- the time required to correct depends on the complexity of the programming.

BST assumes full responsibility for its cost to correct the error, bill end-user credits or adjustments to correct the billing error, and to print any text or Marketing Message, deemed necessary by BST, to inform the end users of what has happened and what has been done to correct the error on their bills.

11.6 Implementation and Changes to Pricing Plans, Fees, Discounts, and Charges for CIC 377

When requesting the implementation or deletion of a simple pricing plan, cross contribution plan, or discount, and when requesting a rate level change and/or a simple rate structure change to an existing plan or discount, BSLD will submit an Expedited PON through BST's *Expedited OBR Process* which is set forth in Appendix A. The implementation date will be determined under the terms and conditions set forth in this Sub-Section. The cost for each Expedited OBR will be determined on an ICB based on the OBR Handling Procedures rates and charges set forth in Exhibit B. See Section 8. (OBR Handling Procedures) of this Exhibit for additional terms and conditions which apply to Expedited OBRs.

Furthermore, BSLD agrees to include the following information with each Expedited PON to implement a plan, charge, discount, or fee: applicable thresholds, percentages, USOCs, application rules, and illustrations of end-user bill formats.

BST will accommodate implementation of, changes to, and deletion of BSLD charges, simple plans, simple discounts, and fees under the following terms and conditions:

- For all BSLD-authorized changes, the *Special Order Charge* and applicable *Program and Non-Program Development* rate set forth in Exhibit B will apply per change.

- BST will not begin programming changes until it receives written authorization from BSLD to bill it for the associated costs which will be quoted in BST's T&C estimate. BSLD may also pre-authorize the change to reduce turn around time.
- BST will implement an increase or decrease in BSLD's per-minute discounted or postalized amount(s) within 5 days* from receipt of BSLD's authorization.
- BST will implement an increase or decrease in BSLD's non-recurring and recurring charges (USOCs) within 5 days* from receipt of BSLD's authorization.
- BST will implement an increase or decrease in BSLD's percent discount amount(s) within 5 days* from receipt of BSLD's authorization.
- BST will implement an increase or decrease in BSLD's threshold amount(s) within 5 days* from receipt of BSLD's authorization.
- BST will add tiers to threshold plans on an ICB.
- BST will implement simple pricing plan text changes within 10 days* and complex text changes within 30 days* from receipt of BSLD's authorization.
- BST will implement a simple change to an existing pricing plan, cross plan contribution schedule, or toll rate schedule within 30 days* from receipt of written authorization from BSLD. A complex change will be handled as a Regular PON with the cost and implementation date determined on an ICB.
- When a pricing plan or associated pricing schedule is consistent with BST's existing programming logic, BST will implement a new pricing plan, discount, cross plan contribution schedule, and termination liability fees within 60 days* from receipt of written authorization from BSLD. When the proposed change is inconsistent, the implementation date will be determined on an ICB.
- If BSLD requires a change to be effective in a shorter time frame than quoted here, BSLD agrees to notify and authorize BST immediately and BST will make every effort to implement the change by the requested implementation date.

* If an excessive number of requests are received for the same time period, BSLD agrees to give BST an extension on the quoted implementation time frames.

11.7 Implementation and Changes to Pricing Plans, Fees, Discounts, and Charges for ABECs

If the processes described in 11.6 are wanted for a Client who processes its Messages with a CIC or ABEC, the Client's journals and settlements will have to be changed. Therefore, BSLD agrees to pay BST both the non-recurring cost to change the Client's reporting and any recurring rates, if applicable, to produce and deliver the enhanced reporting under the terms and conditions set forth in the OBR Handling Procedures section of this Exhibit, and the Expedited OBR Process set forth in Appendix A, at the OBR rates and charges set forth in Exhibit B. After the necessary programming changes are complete, the terms and conditions set forth in Sub-Section 11.6, above, will apply to the Client's said charges, pricing plans, fees, etc.

11.8 Errors or Omissions

If BSLD discovers a BSLD or Client-generated error, BSLD will notify BST as soon as possible and will follow up in writing no more than one day after such discovery. BST will handle the error on an ICB.

If BST finds a BSLD or BSLD recording-vendor generated error, it

will notify BSLD as soon as possible and will assist BSLD in identifying and resolving the problem.

If the error is caused by BSLD, or BSLD's recording vendor, BSLD will be liable for the error and agrees to pay BST for reasonable costs incurred to correct the error and re-process the Messages as well as any other reasonable ICB costs incurred by BST to correct the error at the appropriate OBR rates set forth in Exhibit B.

If BST discovers or is notified of a BST-generated error, BST will notify BSLD as soon as possible and will follow up in writing no more than one day after such discovery and make every reasonable effort to correct the error and bill correctly within the limits permitted by the laws of the state in which the service is provided. BST will handle the error on an ICB and will notify BSLD in writing of the corrective action BST is taking.

11.9 Lost or Damaged Messages

The terms and conditions set for in Sub-section 10.6 also apply to BSLD Messages after pricing plans and discounts have been applied.

Should BST lose or damage BSLD non-recurring or recurring charge records, or fee records -- which have been generated from service orders or USOCs -- BST will assume full responsibility for recovering or re-creating the records at no additional charge to BSLD.

12. Testing Requirements

All testing charges described in this Exhibit are set forth in Exhibit B.

12.1 Testing of BST Facilities, Systems, Etc. Affecting Network-Based Services

a) BST Undertakings

BST will be responsible for the development, establishment, installation, operation, and maintenance of the service(s) it provides to BSLD.

When deemed necessary by BST, services will be tested for the sole purpose of detecting and/or clearing troubles.

BST warrants that its central office, network, and data center facilities and services will meet the standards set forth in this Agreement. BST does not warrant to meet any other facility or services standards.

b) BSLD Obligations

BSLD will comply with reasonable requests from BST to test and adjust its central office, network, or data center facilities, equipment, services, etc., to maintain any of BSLD's Services purchased under this Agreement. The test and adjustment times will be mutually agreed upon by BSLD and BST and completed in a reasonable time frame.

BSLD will not receive credit for any interruptions to Services during the tests and adjustments of central offices or network facilities and services.

12.2 Testing of Billing Services

NOTE: See Exhibit B for additional terms and conditions governing testing.

a) Initializing Service

When initializing the B&C Service Package, the service establishment charge allows BSLD and each CIC/ABEC Client a maximum of three tests at no additional charge. If the first three tests are unsuccessful due

to B SLD or Client error, requiring a fourth test, or more, BSLD will pay the Additional Testing Charge set forth in Exhibit B (Rates and Charges) for each test until BSLD or Client completes a successful test.

When Services are initialized, some service features have a service establishment charge; others do not. Each service establishment charge allows BSLD and each CIC/ABEC Client a maximum of three tests -- regardless of the method of delivery. For those service features that do *not* have a service establishment charge, BST requires BSLD and each CIC/ABEC Client to pay the appropriate testing charge, set forth in Exhibit B (Rates and Charges), which allows BSLD and Clients a maximum of three tests -- regardless of the method of delivery. If the first three tests are unsuccessful due to BSLD or Client error, requiring a fourth test, or more, BSLD will pay the appropriate testing charge, set forth in Exhibit B (Rates and Charges), for each test until BSLD or Client completes a successful test.

b) End-To-End Test (ETET)

The testing described herein will run in a test environment. Complex changes, such as the addition of a Pricing Plan, may call for a more rigorous integration test in the test environment as well as an End-To-End Test (ETET) to be run in a production environment. The costs and time required to complete an integration and ETET test will be determined on an ICB and included in the T&C Estimate, via the OBR Process. BSLD agrees to pay BST the cost associated with such testing.

c) Samples of End-User Bills

For an additional fee, BSLD may receive samples of end-user bills that BST produced during testing for the purpose of reviewing the changes being made by the service feature(s) being tested. BSLD agrees to request the samples in its initial PON/request. This initial PON is non-binding for BSLD until BSLD receives and authorizes the T&C Estimate which will include the cost of the samples. The sample cost will be determined on an ICB.

d) Recurring Testing Needs

Every time BSLD changes the content of BSLD and/or Client EMI record data and/or data files, BSLD will complete a successful test of the change(s) with BST before sending into 'live' production, even if BSLD perceives the revision to be transparent. Examples of these changes include, but are not limited to:

- Requests to add or delete an account code;
- Addition of record types;
- Change by BSLD and/or Clients to a different data processing provider;
- BSLD and/or Clients use of new Exchange Message Interface (EMI) standard -- even those on BST's list of Approved Records;
- Purchase of a new BST service feature;
- Data media conversion, for example, from magnetic tape to data transmission; and
- Items already being billed by another company.

e) BST Undertakings

(1) Timing

Testing of BSLD and Clients data files will be scheduled to begin after all items required for the testing are received by BST. The testing will be completed 35 business days after receipt of valid test data from BSLD unless otherwise agreed to by the Parties. BSLD agrees to an extension if significant problems are encountered during testing which require software changes in BST's billing system.

(2) Completion

System testing is considered complete by BST when the data runs successfully through the final software application in the test sequence, and the test results are verified correct by both Parties.

(3) Propriety BSLD Data

BSLD's test data will be used for testing only; it will not be processed as production data.

12.3 BSLD Obligations

The following four items must be received from BSLD before BST will schedule testing:

- Written authorization to bill the cost quoted in the T&C estimate provided by BST in accordance with the OBR Handling Procedures;
- Test data formatted in compliance with Bellcore EMI documentation (SR-320) and any BST documented exceptions. Variance from these standards will result in an unsuccessful test;
- When sending the test file on a mag tape, a completed *Interexchange Carrier (IXC) Test Tape Transmittal* form (BST form RF-1016) must be included with the tape. When sending the test file across CONNECT:Direct, either a completed *Interexchange Carrier (IXC) Test Tape Transmittal* paper form must be faxed to BST or a completed *CONNECT:Direct Test File Transmission Notification* form submitted to BST via the B&C Service Package web site; and
- The following information provided with the test data file:
- EMI record types on the test file;
- Number of packs;
- RAO combinations;
- Number of Messages; and
- revenue total.

13. Bill Presentation & Bill Rendering

13.1 Per-Bill Postage Escalator

If there is a postage increase for carrier pre-sorted first class mail up to one ounce, the B&C Service Package Per-Bill rates will increase by an amount equal to 30% of the postage increase effective the same date as the postage increase. BST may apply this rate increase retroactively when necessary. BST will provide BSLD written notice of the rate increase and its effective date at least 30 calendar days before it is applied.

13.2 BSLD Logo

BST will print BSLD's logo (symbol and text) on its CIC 377 end-user bill page(s) and on its clearinghouse end-user bill page(s) at the one-time Bill Logo Establishment or Change charge set forth in Exhibit B (Rates and Charges).

BSLD agrees to provide BST a logo image in accordance to BST's specifications set forth in Appendix A.

BSLD will be responsible for obtaining any necessary authorizations or licenses for the use of any logo it asks BST to print. BSLD agrees to indemnify, defend and hold BST and its affiliated companies harmless against all claims, suits, costs, damages, expenses, attorneys fees and judgments arising out of, or alleged to arise from, BST printing the logo and its inclusion in the end-user bill.

13.3 Foreign Language Bill Text

When BST prints a foreign language (e.g. Spanish) end-user bill in one or all of its operating areas, BSLD may elect to print the CIC 377 bill page(s) and/or its clearinghouse bill page(s) in the same foreign language that BST bill pages are printed. BSLD is responsible for the correct spelling, grammar, editing and special characters of all foreign language text sent in all BSLD and Client EMI records (e.g., service names and EMI 43-xx-xx text records),

or any other BSLD- provided text to be included on the end user's bill.

13.4 Application of the Per-Bill Rendered Rates

For each CIC/ABEC processed by BSLD under this Agreement, the applied Per-Bill Rendered Rate, set forth in Exhibit B, depends on the total number of bill pages included in the BST bill. When the given CIC/ABEC has a maximum of one bill page in the bill, BSLD will pay the One Bill Page rate. When the given CIC/ABEC has two or more bill pages included in the BST bill, BSLD will pay the Two or More Bill Pages rate.

Part Three: End-User Account Management

Table of Contents

Section

14. Expanded Inquiry Service

General Description 14.1
Domestic DAKs 14.2
International DAKs 14.3
Post-Billing Adjustments 14.4
Helpful Number 14.5

15. Post-Billing Adjustments

BST-Initiated Fraud and Bankruptcy Related Adjustments 15.1
Customer-Initiated Adjustments 15.2
Copies of BST-Initiated SP/BOC Memos 15.3
Application of End-User Account Activity Rates 15.4
Post-Billing Adjustment Threshold 15.5
Indemnification 15.6

16. Billing Information

General Description 16.1
Electronic Reporting of Billing Information 16.2
Service Requirements for Billing Information & Assistance 16.3
Customer-Initiated Investigation of Billed Charges 16.4
Customer-Initiated Wire Checks 16.5
Customer-Initiated Suspected LEC Error Investigation 16.6

17. Fraud Management and/or Monitoring

18. Miscellaneous

General 18.1
Service Deposits 18.2
Treatment and Collection 18.3
End-User Late Payment Charges 18.4
Authorization to Deny Service 18.5

Part Three: End-User Account Management

14. Expanded Inquiry Service

14.1 General Description

With this Service, BST's helpful number will be printed on the end user's bill page. BST will handle the following functions on behalf of BSLD and Clients, as set forth in a) through c) below, with the exception of specific requests and adjustments noted in d). These functions will be performed in accordance with BST procedures.

a) BST or its contractors or agents will serve as the end user's point of contact for the following types of inquiries and requests:

- Obtaining the information/clarification on payment and billed amounts due BST;
- Making payment arrangements on amounts due; and
- Obtaining credit or adjustments on charges billed.
- Requests for additional copies of his/her end-user bill;
- Payment arrangements;
- Balance due inquiries, except for any balance due before BST began billing;
- Requests for call detail;
- Requests to talk directly to BSLD with the exception of escalations [See 14.1.d) below for additional information.];
- Refusal to pay taxes billed;
- Request for disability certification or request for changes in existing disability certification; and
- Updates to the end user's account profile information; i.e., changes in the bill name, bill address, telephone numbers, etc. for a live account.

b) BST will handle the following end-user requests under the conditions noted:

- Rate information as it pertains to charges on his/her bill under the condition that BSLD and Clients systematically provide to BST and continually update for BST all of its rates, rate structures, pricing plans, discounts, etc. with training material. Furthermore, BSLD is responsible for ensuring that said rate information and training material is accurate and current. BSLD will hold BST harmless in any end user complaints or legal action taken against BST or BSLD due to BST providing the end user incorrect BSLD and Client rates and/or rate information because the rates and/or rate information BST had on file was incorrect.

BST will determine the format and software language BSLD and Clients will use in its provision of said rates, rate structures, pricing plans, discounts, etc. and training material to BST. Both Parties will mutually agree on how, when, and where this information will be exchanged.

- Request to talk directly to BSLD or Clients to inquire or request information listed in a) above, this sub-section b), to dispute charges, to file a claim, and/or to request a post-billing adjustment.

c) BST or its contractors or agents will apply the same procedures as it does to BST charges for handling the following types of end-user toll claims and adjustments to BSLD and Client charges, with specific exceptions noted in d) below:

- Call not complete;
- Cut off;
- Denies all knowledge;
- Duplicate calls;
- Fraud;
- Incorrect timing;
- Poor transmission;
- Request for call details;
- Request for re-bills within the BST area;
- Wrong number reached; and
- DAKs (Denies All Knowledge) domestic and international.

d) The following specific requests and questions will not be handled by BST under this Agreement. BSLD will provide BST a BSLD contact name and telephone number, and a contact name and telephone number for each of its Clients, to give the end user. BSLD and Clients will handle all such inquiries and investigations..

- Requests for assignment of a new calling card PIN or authorization code;
- Balances due before BST billed;

- Requests for re-bills outside of the BellSouth operating area;
- Request for direct billing by BSLD or Clients;
- Questions regarding charges billed directly by BSLD or Clients;
- Requests to talk directly to BSLD or Client by the end user or his/her representative when the inquiry has been escalated to a federal or state regulatory agency or governing body, or to a BellSouth officer; and
- Recording Problems (i.e., the end user believes the duration, time of day, etc. of a given call(s) is incorrect and, therefore, the charge is not correct.

14.2 Domestic DAKs

BST will investigate domestic DAKs when the requested total adjustment amount for the end-user account is equal to or greater than \$50.00, or when a single message is greater than \$2.00, in an effort to sustain charges or obtain alternate billing. BST will use the same established procedures for investigating, sustaining, and obtaining alternate billing for BSLD and Clients domestic DAKs as BST uses for its own services.

14.3 International DAKs

With all International DAKs, BST will review the end-user account's current bill and the last two months of billing to see if calls to the same international number(s) have been billed to the account in an effort to sustain the charges. BST will not seek alternative billing for international DAKs.

14.4 Post-Billing Adjustments

BST should process all adjustments to BSLD and Client charges on end-user accounts. However, BSLD reserves the right to initiate an adjustment for BSLD or Client charges by either submitting an SP/BOC Memo to the IPOC or by processing an EMI 41-XX-XX credit record (CAT 41). When this occurs, BSLD will pay the applicable SP/BOC Memo processing rates and charges as set forth under End-User Account Activity in Exhibit B.

BST will report all adjustment amounts to BSLD via the electronic Post-Billing Adjustment data file, which is in the CAT 45 EMI record format, on a routine basis.

See Section 15. "Post-Billing Adjustments" for additional information on this subject.

14.5 Helpful Number

BST's helpful number will appear on the BSLD CIC 377 end user's bill page(s) and on the BSLD clearinghouse bill page(s). (The end-user calls the helpful number when he/she has questions regarding BSLD or Client charges.) BSLD will provide BST contact telephone number(s) and address(es) where end users are to be referred by BST's service centers when they insist on talking with someone at BSLD or at the Client's company. BSLD and Clients will notify their end users through their tariffs and other appropriate means that BST is handling all billing inquiries. When end users initially contact BST's service center inquiring about BSLD or Client charges, BST or its contractors or agents will make every effort to handle the situation and satisfy the end-user.

15. Post-Billing Adjustments

15.1 BST-Initiated Fraud and Bankruptcy Related Adjustments

The following terms and conditions apply specifically to the processing of BSLD and Clients post-billing adjustments related to fraud and bankruptcy.

- **Fraud:** Any charges identified as fraud under BST's procedural definition will be recouped to BSLD as defined in Appendix A.
- **Bankruptcy:** According to BST's operating procedures for

bankruptcy, the amount of BSLD and Client charges dated on or before the petition filing date will be included in BST's Proof of Claim filing; BSLD and Client charges with no date will not be included. Both those charges dated and not dated, including associated taxes, will be adjusted from the end user's bill and recoured to BSLD. BST will calculate BSLD and Client's end-user revenue taxes as defined in Appendix A. BSLD may re-bill charges dated after the petition filing date to the end-user account established for post-petition charges.

15.2 Customer-Initiated Adjustments

This section contains terms and conditions for processing of post-billing adjustments (PBA) against BSLD and Client service charges that have billed on BST end-user accounts. See also Expanded Inquiry Service, under Part Four, for additional terms and conditions related to this subject.

BSLD may initiate post-billing adjustments for BSLD or Clients by sending BST a written Service Provider/Bell Operating Company (SP/BOC) Memorandum (Memo) or an electronic post-billing adjustment (Category 41 credit). Both will be processed at the rates set forth in Exhibit B (Rates and Charges). See below for further explanations on the application of the SP/BOC Memo rate elements.

BST will provide BSLD operating procedures for processing SP/BOC Memos, including the detailed information required from BSLD. BST will determine the format of BSLD's SP/BOC Memo and provide copies of the Memo to BSLD.

Each SP/BOC Memo may contain adjustments for only one end-user account; the Memo may include multiple bill line item charges on the one account, and multiple bill periods on the one account if the call detail is provided with the SP/BOC Memo.

BSLD and Clients may initiate electronic post-billing credits with Category 41 Service. CAT 41-XX-XX EMI records will be processed in accordance with the Bellcore EMI document: SR-320, and BST specifications provided in Appendix A.

15.3 Copies of BST-Initiated SP/BOC Memos

Neither BSLD or Clients will receive any copies of any BST-initiated SP/BOC Memos. BSLD may request, via the OBR Handling Procedures, to receive copies of selected SP/BOC Memos, on a prospective basis, at any time during the term of this Agreement. BST will make reasonable effort to grant BSLD this request, and BSLD agrees to an increase in its Expanded Inquiry Service rate(s) for the additional cost of this operating expense. The non-recurring charge and/or increase in existing recurring rates to provide the requested SP/BOC Memos will be determined on an ICB.

15.4 Application of End-User Account Activity Rates

The following End-User Account Activity rate elements will apply all Customer-initiated SP/BOC Memos on the effective date of this Agreement. The specific rates are set forth in Exhibit B.

a) When BST processes a Customer-initiated adjustment, via the SP/BOC Memo Process, to adjust BSLD or Client charges from an end-user account, BSLD will pay BST the SP/BOC Memo Initiated by Customer, Per Memo Processed rate and the Per Line Item Adjusted rate described in b) below.

b) The Per Line Item Adjusted rate applies to each end-user bill line item being adjusted on each Customer-initiated SP/BOC Memo billable under the Per Memo Processed rates described in a) above.

15.5 Post-Billing Adjustment Threshold

In regards to BSLD's and each CIC/ABEC Client's PARs, when the cumulative post-billing Adjustment amount exceeds a threshold of "X" percent (actual percentage is set forth in the principal document of this Agreement) of the cumulative Transmitted or Confirmed Revenue amount for any given six-month period during the term of this Agreement, BST may increase either the Expanded Inquiry Service Per-Message rate and/or the SP/BOC Memo Initiated by Customer and associated Line Items Adjusted rates, and/or invoke a SP/BOC Memo rate and associated Line Item Adjusted rate for BST-initiated adjustments, set forth in Exhibit B, to recover additional operating expenses realized through the increased volume.

Evaluation of the Adjustment to Revenue ratio and the invoking of new and/or increase B&C Service charges described herein will be performed on a per CIC/ABEC basis.

BST will notify BSLD in writing of this conversion 30 days before its effective date.

In addition, BST may, in its sole discretion, back bill BSLD for all BST-initiated SP/BOC Memos, and associated Line Items Adjusted for which the new rates apply that were processed during the six-month period in which the Threshold was exceeded.

When BSLD or a CIC/ABEC Client receives its settlement information via the paper PARS statement, BST will use Transmitted Revenue and the Adjustments amount for calculating BSLD or Client's monthly adjustment percentage.

When BSLD receives its settlement information via the electronic PARS package, BST will use the total Confirmed Revenue amount, and total Adjustment amount to calculate BSLD's monthly adjustment percentage.

If either method of reporting, described above, is discontinued or replaced during the term of this Agreement, BST will utilize the appropriate source documents or the new reporting method to attain BSLD and each CIC/ABEC Client's monthly Confirmed Revenue and Adjustment amounts.

15.6 Indemnification

BSLD will indemnify and hold BST harmless for any and all damages and expenses arising from BST's adjustment and recourse of end-user charges to BSLD and

Clientsexcept in the case of gross negligence.

16.Billing Information

16.1General Description

BST will provide BSLD and each CIC/ABEC Client billing information (this service is referred to as 'Billing Information Services' in Section E.8. of the State Tariffs) from BST's record systems, billing files, and account data base.

BST will provide BSLD and each CIC/ABEC Client such information via a EMI-formatted data file on a per request basis. The information provided to BSLD and Clients will be limited exclusively to BSLD and Clients' end-user services and to information not listed as confidential and proprietary to BST.

16.2Electronic Reporting of Billing Information

a) BST offers electronic reporting of the following billing information reports (these data files are referred to as "Custom Reports" in the State Tariffs) in Bellcore EMI record format, delivered to BSLD across CONNECT:Direct. BSLD agrees to pay the service establishment charge, set forth in Exhibit B, associated with each billing information subject it requests to receive for each CIC/ABEC. Regarding recurring charges, when the data file is delivered via CONNECT:Direct there is no delivery charge; when the data file is delivered via magnetic tape, BSLD will pay the applicable Per Tape and Per Record rates set forth in Exhibit B. Each CIC/ABEC's data may be sent on a separate magnetic tape.

- Unbillables and Misdirects;
- Post-Billing Adjustments;
- Uncollectibles;
- Journals; and
- End-User Revenue Taxes.

NOTE: BST also offers the Settlement Package and the B&C Service (CABS) Bill in electronic, EMI-formatted data files. See Part Four: Settlements and Billing of B&C Service Charges (CABS), respectively, for details.

b) BST will determine the content and format of each electronic billing information data file.

c) BSLD may request changes to BSLD and/or Client billing information data files via the OBR Handling Procedures. Such requests will be reviewed and approved on an ICB. BSLD agrees to pay BST to implement an approved change at the applicable OBR Handling Procedures rates set forth in Exhibit B as well as any recurring charges which will be determined on an ICB.

d) During the term of this Agreement, BST may offer additional billing information reporting in EMI format. When this occurs, BSLD agrees to pay BST the associated service establishment charge to begin receiving the new data file, and any recurring rates established by BST. The rates and charges for each billing information subject will be determined on an ICB. BST will notify BSLD in writing of a new offering at least 90 days before the data file is ready for delivery. In response BSLD will request the new data file for BSLD and/or Clients by submitting a PON to BST in accordance with the OBR Handling Procedures.